



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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LOGISTICS AND COMMUNICATIONS
DIVISION

MAY 9 1974

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The Honorable Charles H. Percy
United States Senate

Dear Senator Percy:

Your letter of February 18, 1974, asked that we provide information on the amendment to the Federal Procurement Regulations implementing Public Law 92-582 which established policies and procedures for governmental procurement of architect-engineer services. You also expressed interest in the degree to which civil agencies and the Department of Defense have complied with the public announcement provisions of the law since our July 6, 1973, report to you.

We mentioned in the July 6 report that the General Services Administration had published a temporary amendment to the Federal Procurement Regulations on March 29, 1973, and that the target date for the formal amendment was December 1973. The formal amendment was published in the Federal Register on December 6, 1973, and became effective on January 14, 1974.

The amendment provides that all requirements for architect-engineer (A-E) services be publicly announced. The method for announcing them varies according to the estimated fee for the required services.

When the A-E fee is expected to exceed \$10,000, the requirements must be publicized in the Commerce Business Daily. The announcement must be published far enough in advance of the due date to enable A-E firms to prepare and submit qualification and performance data to the procurement office. When the fee is expected to be \$10,000 or less, publication in the Commerce Business Daily is optional. When the estimated fee is \$10,000 or less and the agency does not advertise in the Commerce Business Daily, the requirements must be announced in at least one daily newspaper circulated in the local area and publicly displayed at the procurement office.

Each announcement must briefly state the project location; scope of required services; and, where applicable, construction cost limitation, type of contract proposed, and estimated start and completion dates. The announcement also requests firms to furnish Form 251 (U.S. Government Architect-Engineer Questionnaire), if one is not already on file, and advises that, following evaluation, three or more firms considered to be the most highly qualified will be chosen for interview.

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DOD REGULATION

As we said in our July 6 report, the provisions of Public Law 92-582 do not apply to the Department of Defense. However, the Department amended the Armed Services Procurement Regulation (sec. I, part 10) to provide for similar public announcement of A-E requirements. The amendment was issued on May 15, 1973, through Defense Procurement Circular Number 109. The specific public announcement provisions parallel those of the Federal Procurement Regulations very closely.

COMPLIANCE WITH PUBLIC LAW 92-582

With regard to your interest in the degree to which civil agencies and the Department of Defense have complied with the public announcement provisions of Public Law 92-582, we are now reviewing their procedures in response to several congressional requests and public interest. We are not only examining the extent to which the General Services Administration and the Department of Defense have complied with the public announcement requirement of Public Law 92-582 but also the extent of the requirement's effectiveness in increasing competition, as intended by the Congress. Instead of issuing a series of individual reports in response to the numerous congressional requests received on this subject, we have arranged with the other requesters to issue a single report. We will send you a copy of this report when it is issued later this year.

Sincerely yours,



F. J. Shafer
Director